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August 1, 2007

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OF COUNSEL  
WILLIAM G. CONLY

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Davis Zone of the Cotton Valley Formation; Bodcaw Sand, Reservoir A; Cotton Valley Formation, Reservoir A; and Hosston Formation, Reservoir A; TREMONT FIELD, Lincoln Parish, Louisiana.

Dear Sir:

INDIGO MINERALS LLC ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Davis Zone of the Cotton Valley Formation; the Bodcaw Sand, Reservoir A; the Cotton Valley Formation, Reservoir A; and the Hosston Formation, Reservoir A; all in the TREMONT FIELD, Lincoln Parish, Louisiana.

Davis Zone of the Cotton Valley Formation;  
and Bodcaw Sand, Reservoir A.

1. To dissolve the unit shown on an attached plat and designated DAVIS SUQ, created for the Davis Zone of the Cotton Valley Formation by Office of Conservation Order No. 594-A-9, effective December 1, 1976.

2. To dissolve the unit shown on an attached plat and designated BOD RA SUG, created for the Bodcaw Sand, Reservoir A, by Office of Conservation Order No. 594-B-4, effective January 13, 1988.

The Davis Zone of the Cotton Valley Formation in the Tremont Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 594-A, effective June 1, 1971.

The Bodcaw Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 594-B, effective March 18, 1975.

Hosston Formation,  
Reservoir A

1. To redefine the Hosston Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, insofar and only insofar as to the existing unit designated HOSS RA SUI, which unit is shown

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on an attached plat and was created by Office of Conservation Order No. 594-C-2, effective December 1, 1976, as being that gas and condensate bearing interval encountered between the depths of 5,640 feet and 8,670 feet (electric log measurements) in the Pogo Producing Co. (formerly Conquest)--Norris No. 1 Well, located in Section 15, Township 18 North, Range 1 West, Lincoln Parish, Louisiana.

2. To confirm the unit designated HOSS RA SUI as remaining in full force and effect for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, as proposed to be redefined herein.

3. To consider such other matters as may be pertinent to the Hosston Formation, Reservoir A.

The Hosston Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, is currently defined in Office of Conservation Order No. 594-C, effective July 15, 1975.

Cotton Valley Formation, Reservoir A

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such unit being shown on an attached plat and being designated CV RA SUE.

2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.

3. To designate an operator of, and unit well for, the proposed additional unit as may be appropriate.

4. To permit applicant to combine downhole production from CV RA SUE and from HOSS RA SUI in any well drilled on these units in which the interests of the parties in these units are identical.

5. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 594-L, effective February 1, 2006, as amended and supplemented by the Order No. 594-L series of Orders, and of all applicable Statewide Orders, to the proposed additional unit.

6. To consider such other matters as may be pertinent to the Cotton Valley Formation, Reservoir A.

The Cotton Valley Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 594-L, effective February 1, 2006.

Any pertinent data concerning this application will be available for inspection at the offices of Mr. Craig C. Barclay, 522 Dumbarton, Shreveport, Louisiana 71106. Any person wishing to inspect

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any such data should call Mr. Barclay at (318) 869-2223 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated July 18, 2007, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set August 9, 2007, as the tentative date for the pre-application conference. No request for the conference was received within ten (10) days after the date of said letter; therefore, no pre-application conference will be held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of each of the unit plats showing the units proposed to be dissolved, the unit proposed to be redefined and the unit proposed to be created (which are identical to the plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of each of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Tremont Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,



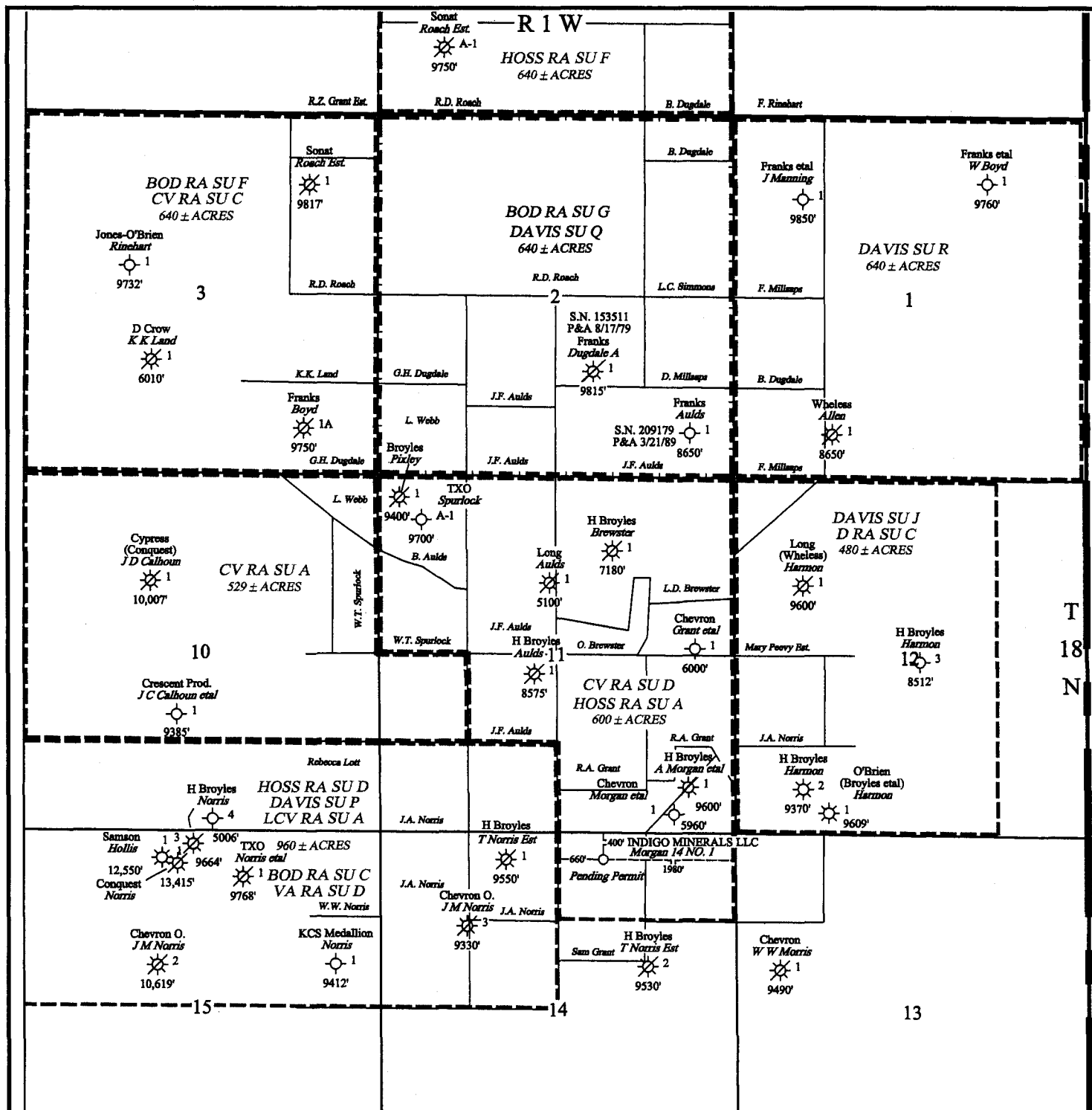
David L. Smelley

--- Attorney for Indigo Minerals LLC

DLS:dp

Enclosures

cc: Mr. Jim Broussard (w/encls.)  
Mr. Brad Rome (w/encls.)  
Mr. Craig C. Barclay (w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plats only)



# **INDIGO MINERALS LLC** HOUSTON, TEXAS

## **TREMONT FIELD** LINCOLN PARISH, LOUISIANA

**PROPOSED DISSOLUTION OF BODCAW RESERVOIR A SAND UNIT G  
AND DISSOLUTION OF DAVIS RESERVOIR SAND UNIT Q**

○ :PENDING PERMIT FOR CV SAND UNIT WELL

----- :EXISTING SAND UNITS      - - - - - :PROPOSED SAND UNIT TO BE DISSOLVED



NOTE: SHALLOW WELLS NOT SHOWN.

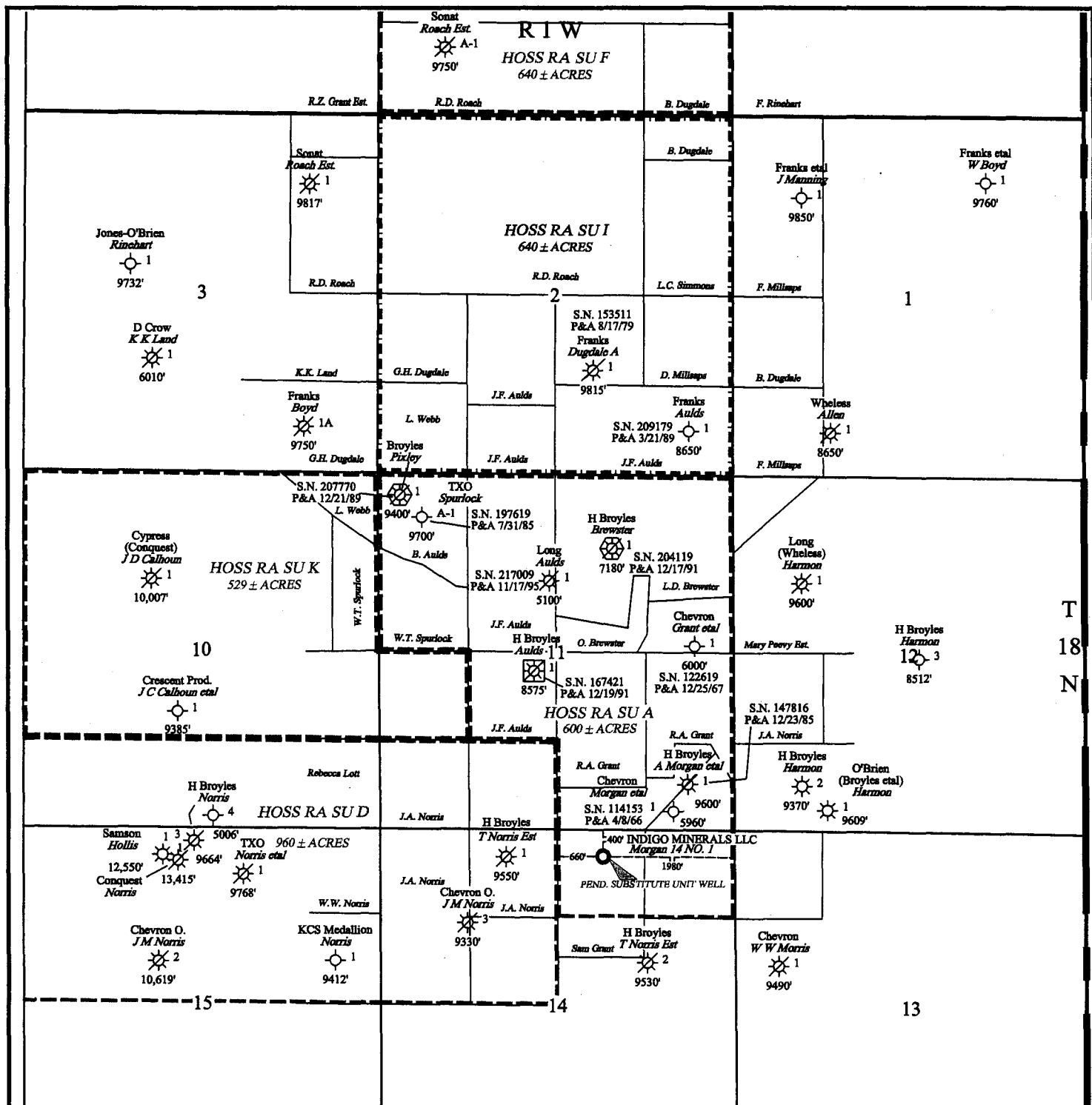


EXHIBIT NO.

DOCKET NO. 07-

# INDIGO MINERALS LLC HOUSTON, TEXAS

## TREMONT FIELD LINCOLN PARISH, LOUISIANA

PROPOSED REDEFINITION OF HOSSTON FORMATION RESERVOIR A  
AS TO HOSSTON RESERVOIR A SAND UNIT I



:EXISTING ALTERNATE UNIT WELLS



:EXISTING UNIT WELL



:PENDING SUBSTITUTE UNIT WELL

--- :EXISTING SAND UNITS

- - - - - :PROPOSED SAND UNIT TO BE REDEFINED

0' 1000' 2000' 3000' 4000'

GRAPHIC SCALE

NOTE: SHALLOW WELLS NOT SHOWN.

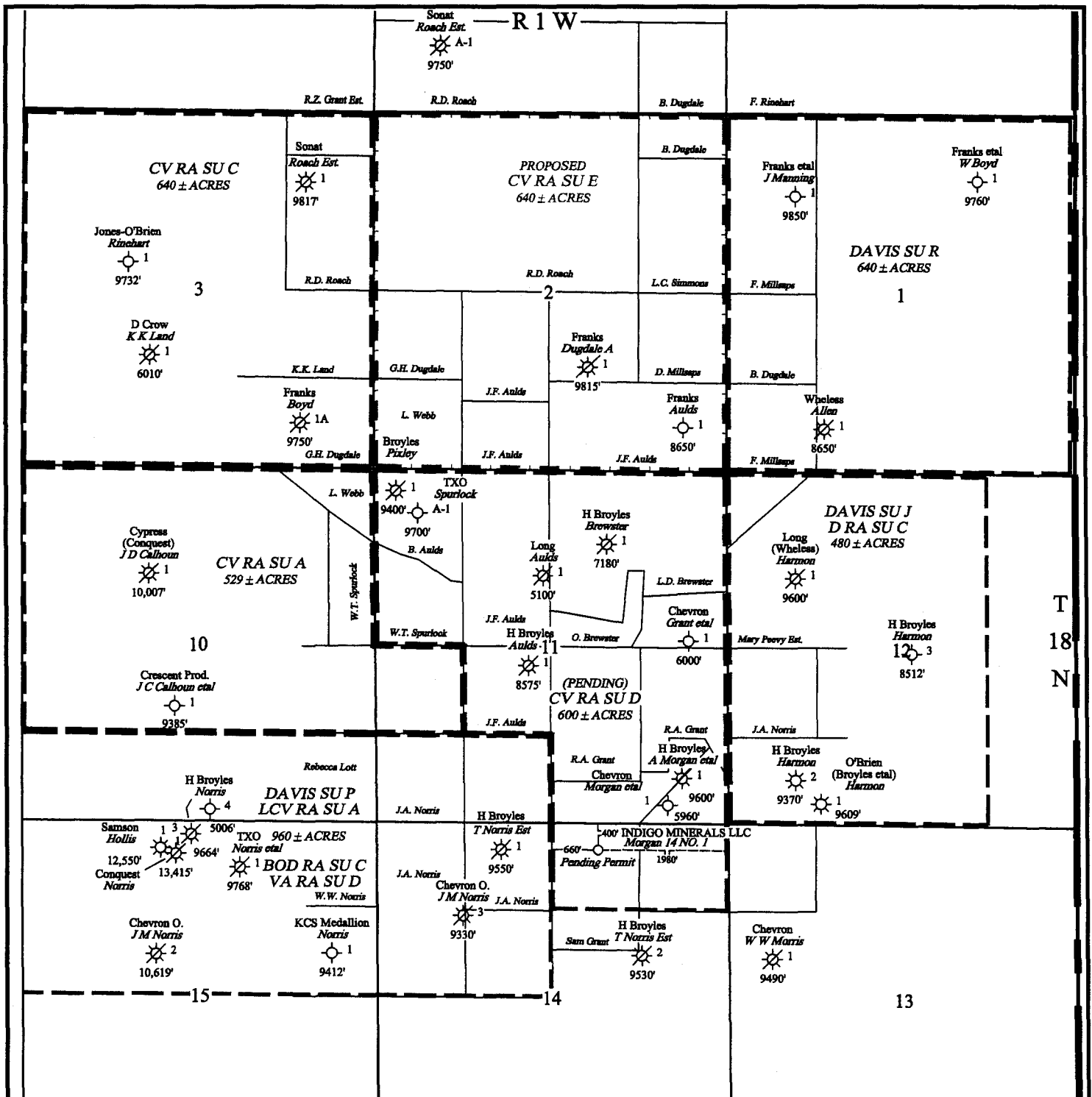


EXHIBIT NO. 1

DOCKET NO. 07-

# INDIGO MINERALS LLC HOUSTON, TEXAS

TREMONT FIELD  
LINCOLN PARISH, LOUISIANA

PROPOSED COTTON VALLEY RESERVOIR A SAND UNIT E

○ :PENDING PERMIT FOR CV SAND UNIT WELL    ◻ :EXISTING CV RA UNIT WELL    ◻ :EXISTING ALTERNATE CV RA UNIT WELL  
 - - - - :PROPOSED CV SAND UNIT    - - - - :EXISTING SAND UNITS



NOTE: SHALLOW WELLS NOT SHOWN.